GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:282
ANSWERED ON:25.02.2000
IMPORT OF AGRICULTURAL PRODUCTS
SATYAVRAT CHATURVEDI

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether as a signatory of World Trade Organisation, the Government propose to lift the ban on import of foreign agricultural products in the ensuing few years;

(b) if so, the details of agricultural products for which the Government propose to lift the import ban;

(c) whether any scheme is under the consideration of the Government to protect the interests of the domestic farmers; and

(d) if so, the details thereof?

Answer

MINISTER OF COMMERCE & INDUSTRY (SHRI MURASOLI MARAN)
(a) The member countries of the WTO, are not allowed to have any quantitative restrictions on imports except on specific grounds as provided in the WTO agreements. India at present maintains quantitative restrictions on imports of 1429 tariff lines at eight digit level on the ground of Balance of Payments (BOP).However, the Dispute Settlement Body (DSB) has adopted the report of the Dispute Settlement Panel and the Appellate Body in the dispute raised by United States of America against India, concluding that the quantitative restrictions maintained by India on BOP grounds were inconsistent with our obligations under Articles XI and XVIII of the General Agreement on Tariffs and Trade (GATT) 1994 and also Article 4.2 of the Agreement on Agriculture. In view of this decision of DSB, India would be phasing out its existing quantitative restrictions on imports, including those on agricultural products as have been maintained on BOP grounds.

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(b) At present the import of 377 agricultural items at eight digit tariff lines, is covered by the Quantitative Restrictions which will have to be removed by 1.4.2001. Out of 377 agricultural items, 146 agricultural items are under the Special Import License (SIL), 33 agricultural items are under canalised list and 198 agricultural items are under the restricted list.

(c) & (d) Government of India extends support to the agricultural sector through various schemes designed for the welfare of farmers in India such as the minimum price support mechanism and provision of agricultural inputs at reasonable prices. The import of agricultural items is suitably regulated by imposing appropriate tariffs so as to provide adequate protection to the farmers. Food security concerns are central to the agricultural policy of India. The export-import policy on agricultural products is principally governed by the concerns of food security, the need to maximise farmers` income and foreign exchange earnings and to augment domestic availability of agricultural products while protecting and providing avenues for rural employment.